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**UNITED STATES BANKRUPTCY COURT
NORTHERN DISTRICT OF CALIFORNIA
SAN FRANCISCO DIVISION**

In re:)	Chapter 11
)	
PG&E CORPORATION,)	Case No. 19-30088 (DM)
)	
- and -)	
)	
PACIFIC GAS AND ELECTRIC)	
COMPANY.)	
)	
Debtors.)	(Jointly Administered)
)	(Lead Case)

**OBJECTION AND RESERVATION OF RIGHTS OF CENTURYLINK
COMMUNICATIONS, LLC TO THE DEBTORS' SCHEDULE OF EXECUTORY
CONTRACTS AND UNEXPIRED LEASES TO BE ASSUMED PURSUANT TO THE
PLAN AND PROPOSED CURE AMOUNTS**

CenturyLink Communications, LLC and Level 3 Communications, LLC, and their parents, subsidiaries, and affiliates (collectively “CenturyLink”) object to and reserve their rights regarding the *Schedule of Executory Contracts and Unexpired Leases to be Assumed Pursuant to the Plan and Proposed Cure Amounts* (the “Cure Notice”) [ECF 7037]. CenturyLink respectfully states as follows:

**JURISDICTION, VENUE, AND CONSTITUTIONAL AUTHORITY TO ENTER A
FINAL ORDER**

1. This Court has jurisdiction over this matter and the parties hereto pursuant to 28 U.S.C. §§ 157 and 1334 and this matter constitutes a “core” proceeding pursuant to 28 U.S.C. § 157.

FACTUAL BACKGROUND REGARDING CENTURYLINK

2. In the Cure Notice, Debtors list no fewer than thirty-five (35) pages of contracts that the Debtors seek to assume with CenturyLink. (See ECF 7037, pp. 239/2063 through 273/2063, p. 934/2063, and p. 867/2063).

3. CenturyLink does not oppose the assumption and assignment of any of the CenturyLink executory contracts; CenturyLink asserts only that it is entitled to the proper cure required by 11 U.S.C. § 365 for the listed CenturyLink contracts and any other future CenturyLink contracts the Debtors select to assume.

4. CenturyLink’s records indicate that the Debtors currently owe CenturyLink the following amounts, on the Proofs of Claim acknowledged by the Debtors in ongoing negotiations, as follows:

Exhibit A
Summary of Scheduled Claims and Filed Proofs of Claim

Creditor ID	Claim #	Claimant	Claim Type	Debtor Entity	C U D	Asserted or Scheduled Amounts				
						Secured	Administrative	Priority	Unsecured	Total
1017608	1033743	LEVEL 3 COMMUNICATIONS LLC	Scheduled	Pacific Gas and Electric Company	<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>	\$0.00	\$0.00	\$0.00	\$5,973.77	\$5,973.77
1017608	3060	Global Crossing Telecommunications, Inc.	Filed/Asserted	PG&E Corporation	<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>	\$0.00	\$0.00	\$0.00	\$5,067.44	\$5,067.44
1017608	3059	Level 3 Communications, LLC	Filed/Asserted	PG&E Corporation	<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>	\$0.00	\$0.00	\$0.00	\$38,073.50	\$38,073.50
1017608	3057	Level 3 Communications, LLC	Filed/Asserted	PG&E Corporation	<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>	\$0.00	\$0.00	\$0.00	\$109.90	\$109.90
1017608	3083	Broadwing Communications, LLC	Filed/Asserted	PG&E Corporation	<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>	\$0.00	\$0.00	\$0.00	\$4,322.37	\$4,322.37
1017608	3084	Level 3 Telecom Holdings, LLC	Filed/Asserted	PG&E Corporation	<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>	\$0.00	\$0.00	\$0.00	\$955.71	\$955.71

5. The above amounts owed may be connected to the CenturyLink contracts, as cure amounts, listed in the Cure Notice.

6. The Debtors may owe CenturyLink amounts in addition to that above, and CenturyLink intends on continuing to engage with the Debtors in good faith negotiations regarding the cure amounts, allowed general unsecured claims, and assumption of the CenturyLink contracts. CenturyLink also notes that the Debtors' Cure Notice is unclear in the manner in which the CenturyLink contracts are identified; CenturyLink reserves its rights to continue to assert its cure rights as CenturyLink contracts are pinpointed and identified in the good faith negotiations with the Debtors.

7. 11 U.S.C. § 365(b)(1) states, in pertinent part:

(b)(1) If there has been a default in an executory contract or unexpired lease of the debtor, the trustee may not assume such contract or lease unless, at the time of assumption of such contract or lease, the trustee—

(A) cures, or provides adequate assurance that the trustee will promptly cure such default . . . ;

(B) compensates, or provides adequate assurance that the trustee will promptly compensate, a party other than the debtor to such contract or

lease, for any actual pecuniary loss to such party resulting from such default; and

(C) provides adequate assurance of future performance under such contract or lease.

11 U.S.C. § 365(b)(1).

8. A cure under 11 U.S.C. § 365 means that all unpaid amounts due under the agreement have been paid. *In re Network Access Solutions, Corp.*, 330 B.R. 67, 76 (Bankr. D. Del. 2005).

9. A debtor-in-possession must assume a contract *cum onere*, meaning subject to all its burdens. *In re Eastman Kodak Co.*, 495 B.R. 618, 624 (Bankr. S.D.N.Y. 2013) (citations omitted). “Nevertheless, because a debtor must assume or reject an entire contract, and cannot cherry-pick the provisions it does not like, a court must consider the entire agreement.” *In re Hawker Beechcraft, Inc.*, 486 B.R. 264, 278 (Bankr. S.D.N.Y. 2013).

10. At this time, CenturyLink does not seek more than the amounts due under the relevant Centurylink contracts as a cure. CenturyLink reserves the right to amend the cure amount demanded, including to add any cure amount associated with any CenturyLink contracts discovered to be included in the Cure Notice, to supplement, modify and/or amend the foregoing, to introduce evidence at any hearing related to the cure and assumption of the CenturyLink contracts, and to assert any rights, claims, causes of action, remedies and/or defenses with respect to the cure and assumption of the CenturyLink contracts, and CenturyLink intends to work with the Debtors to reach an agreement as to the amounts necessary to fully cure the above-referenced executory CenturyLink contracts.

RELIEF SOUGHT

WHEREFORE, CenturyLink respectfully requests an order:

(a) Granting CenturyLink’s cure amount owed under the CenturyLink contracts;

- (b) Directing CenturyLink's cure be paid within ten (10) days of the Court's order;
- (c) Allowing CenturyLink additional time to amend its cure amount as additional CenturyLink contracts are discovered to be included in the Cure Notice; and
- (d) Granting such other and further relief as is just, equitable, and proper.

Dated: May 15, 2020

Respectfully submitted,

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/e/ Robert T. Kugler

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